

**KEPPEL OPP'N EXH. 128**

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# Sete Brasil – Overview

## 3Q'14 Update



### Key Recent Developments:

#### Construction Status

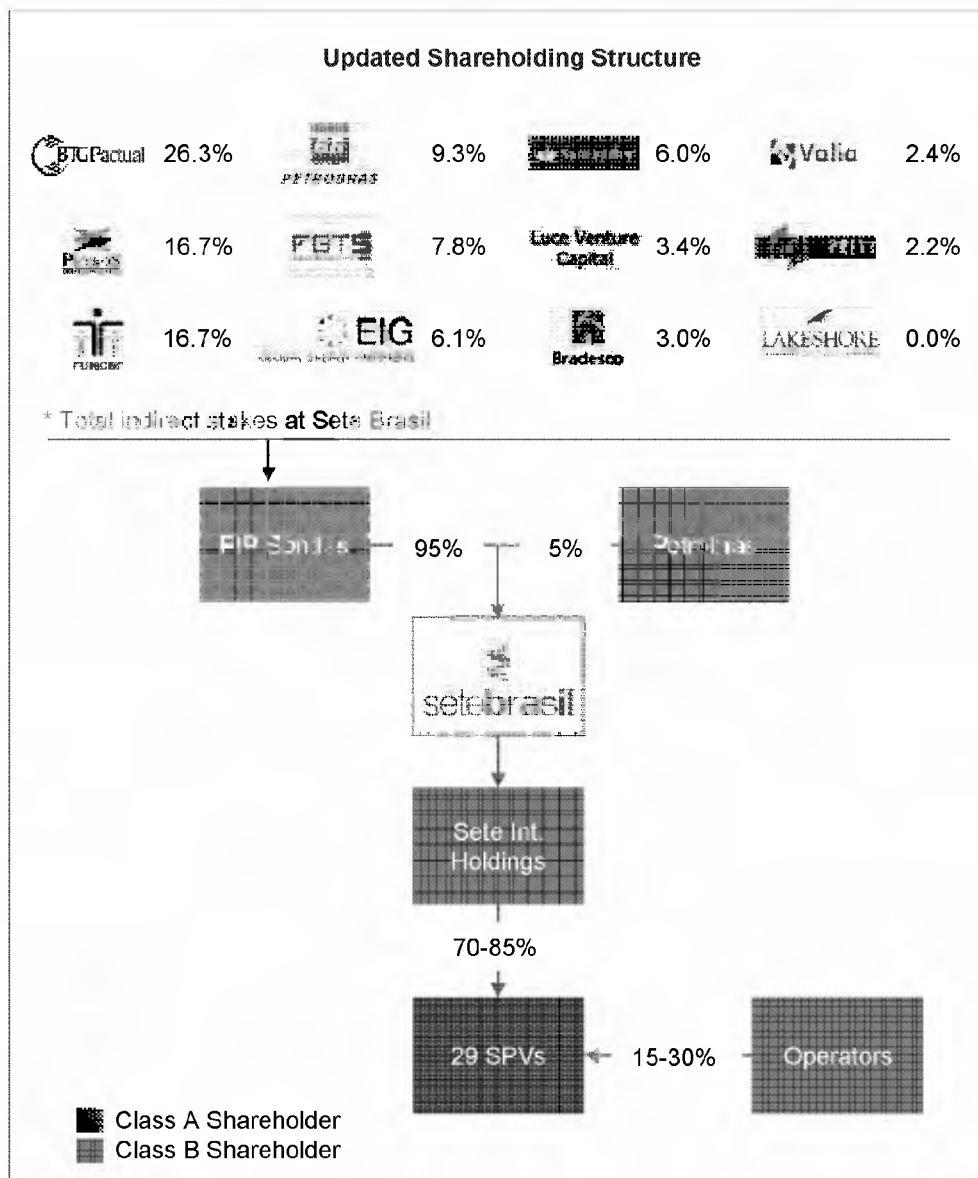
- Overall construction progress at 18.5% as of Jun'14 (expected 20.8%)
- Out of the 9 drillships from 1<sup>st</sup> Batch, 6 are considerably behind schedule
- Update on shipyards

#### Funding

- Update on bridge loans (potential new bridges 5 and 6)
- Anticipation of capital calls to cover short term deficit
- LT financing for “batch 1” expected to be disbursed on November'14 (previously September'14)

#### Finance

- Updated Projected Returns: 10.6% / 1.54x (Jun'14: 12.9% / 1.62x; IR: 17.9% / 1.95x)



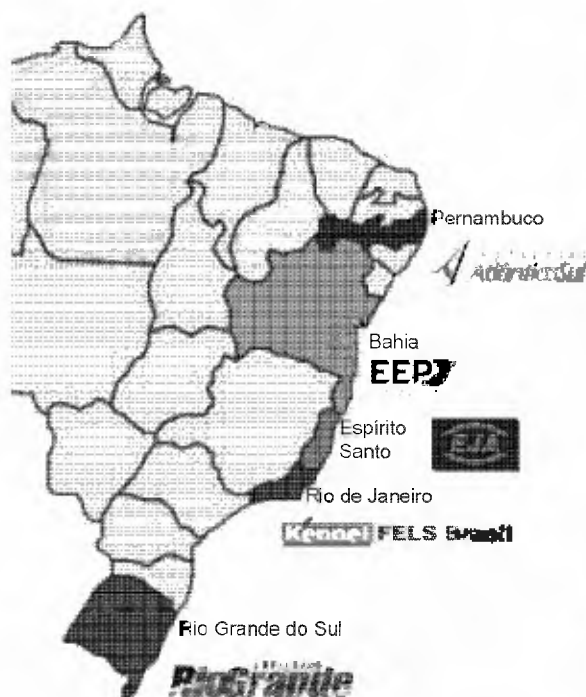
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# Sete Brasil – Construction Status (1/2)

## Market views on Brazilian Shipyards

### 2015 is expected to be a key year for Brazilian shipyards contracted by Sete Brasil

- Four (out of five) shipyards are currently undergoing infrastructure construction or improvements in their facilities. Main bottlenecks are expected to be surpassed in the first semester of 2015
- EAS expects to receive detailed engineering drawings still in 2014 – therefore Sete expects huge advance in construction curves in 2015



Shipyard	Comments
<b>EAS</b> Atlântico Sul (7 DRU's)	<ul style="list-style-type: none"> <li>▪ Significant delay in <b>detailed</b> engineering drawings from LMG and Remontowa</li> <li>▪ Expected delays of at least 12 months for the first 2 vessels and 9 to 6 months on average for 7 vessels (based on market comments)</li> <li>▪ Potential for local content penalties – EAS has already subcontracted Cosco (China) and JMU (Japan) for the construction of several mega-blocks</li> <li>▪ Former CEO of South American operations of Dana Automotive was hired as CEO of EAS in Jul'14</li> </ul>
<b>EEP</b> Enseada (6 DRU's)	<ul style="list-style-type: none"> <li>▪ Shipyard still under construction</li> <li>▪ Technical partner (Kawasaki) <b>already</b> started production in Japan</li> <li>▪ Potential for significant local content penalties</li> <li>▪ Probably will incur in delivery delays</li> </ul>
<b>Jurong - Aracruz</b> (7 DRU's)	<ul style="list-style-type: none"> <li>▪ Shipyard still under construction</li> <li>▪ <b>Already</b> started DRU construction in Korea</li> <li>▪ Significant <b>delays</b> expected for the first vessels</li> <li>▪ Recently under worker's strike in Brazil</li> </ul>
<b>BrasFels</b> (6 DRU's)	<ul style="list-style-type: none"> <li>▪ Shipyard focused on offshore projects</li> <li>▪ Located in Brazilian most traditional naval hub</li> <li>▪ Expected to deliver rigs on time and according to local content requirements</li> </ul>
<b>ERG</b> Rio Grande (3 DRU's)	<ul style="list-style-type: none"> <li>▪ Infrastructure still under development</li> <li>▪ Significant delays are expected</li> <li>▪ Hull construction already started in China</li> </ul>

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Page 33 of 51

3



# Sete Brasil – Construction Status (2/2)



## 1<sup>st</sup> Batch Construction Progress (As of Jun'14)

- Out of the 9 drillships from 1<sup>st</sup> Batch, 6 are behind schedule (Average delay: 8 months)
- Buffer between EPC handover and COD for charter contracts likely will not be sufficient to accommodate expected delays
- Considering the 29 units under construction, the physical progress as of Jun'14 reached 18.5% against 20.8% planned

		Construction Completion (%)		Handover		Charter	Delay / Advance (exp hand. – charter date)	
		Planned	Actual	Planned	Expected		Months	
	Urca	73.6%	72.5%	dec-15	feb-16	jul-16		5.2
	Frade	28.7%	34.7%	dec-16	jan-17	may-17		4.0
	Arpoador	68.7%	72.2%		feb-16	jul-15	-8.2	
	Guarapari	39.1%	43.3%	jul-16	dec-16	jul-16	-4.5	
	Cilene	16.8%	14.1%	dec-16	mar-17	may-17		2.2
	Ondina	62.7%	67.4%	jul-16	may-17	aug-16	-9.3	
	Cassino	36.7%	22.3%	mai-16	apr-17	ago-16	-9.7	
	Grumari	48.2%	24.7%	jul-16	may-17	nov-16	9.3	
	Copacabana	56.3%	33.3%	feb-16	dec-16	mar-16	-6.0	

Source: Company report released on July 31, 2014.

Avg Delay: 8 months

Page 34 of 51

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# Sete Brasil – Senior Financing



## Update on Long Term Financing

- Long Term Financing for Batch 1 postponed from Sept'14 to Nov'14
- Management has underestimated BNDES timeline

### Details per Batch

#### Batch 1

- ✓ 9 Drillships
- ✓ CoD: 2015-2017
- ✓ Local Content Lender (50%): **BNDES**
- ✓ Other lenders: **UKEF / FINISA**

#### Batch 2

- ✓ 12 Drillships
- ✓ CoD: 2017-2018
- ✓ Local Content Lender (50%): **BNDES**
- ✓ Other lenders: **ECA / Others**

#### Batch 3

- ✓ 8 Drillships
- ✓ CoD: 2019-2020
- ✓ Local Content Lender (55%): **FMM**
- ✓ Other lenders: **ECA / Others**

### Details per lender (Batch 1)

#### BNDES

- ✓ US\$3.7 BN
- ✓ Amortization: 14.5 years
- ✓ Grace period: Construction + 6m
- ✓ Cost: L+ 4.22% (1<sup>st</sup> System) | 4.33% (2<sup>nd</sup> System)

#### FINISA / CEF

- ✓ ~US\$1.75 BN
- ✓ Amortization: 15.5 years
- ✓ Grace period: Construction + 6m
- ✓ Cost: 8.0% fixed coupon

#### UKEF

- ✓ US\$200 – 250 MM
- ✓ Amortization: 12 years (TBD)

Uses			Sources		
	US\$ MM	%		US\$ MM	%
EPC Contract	6,653	87%	BNDES	3,721	49%
CMA	264	3%	UKEF	214	3%
Pre-Op Costs	395	5%	FINISA	1,715	22%
Insurance	149	2%	Others	103	1%
Transaction Costs	208	3%	Senior Debt	5,752	75%
			Sub. Debt	287	4%
			Equity Class A	1,330	17%
			Equity Class B	301	4%
			Total Equity	1,631	21%
<b>Total Uses</b>	<b>7,669</b>	<b>100%</b>	<b>Total Sources</b>	<b>7,669</b>	<b>100%</b>

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Page 35 of 51

5

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# Sete Brasil – Bridge Loans

## Update on Bridge Loans

- The Company has currently 4 Bridge Loan Facilities in place with 8 financial institutions totaling US\$ 4.0 bn
- Bridges 5 and 6 still under negotiation with Standard bank and Banco do Brasil

Bridge 1	Bridge 2	Bridge 3	Bridge 4	Preliminary Terms Bridge 5
<ul style="list-style-type: none"> <li>✓ Amount: \$700mm</li> <li>✓ 100% disbursed</li> <li>✓ Executed: Yes</li> <li>✓ Extended in Feb. '14 for 6 and 12 months</li> <li>✓ Maturity: Oct'14 / Feb'15</li> <li>✓ Cost: L + [350 – 390] bps</li> <li>✓ Participating Banks:</li> </ul> 	<ul style="list-style-type: none"> <li>✓ Amount: \$1,700mm</li> <li>✓ 100% disbursed</li> <li>✓ Executed: Yes</li> <li>✓ Extended in Apr. '14 for 6 and 12 months</li> <li>✓ Maturity: Nov'14 / Apr'15</li> <li>✓ Cost: L + 350 bps</li> <li>✓ Participating Banks:</li> </ul> 	<ul style="list-style-type: none"> <li>✓ Amount: \$1.1bn</li> <li>✓ 100% disbursed</li> <li>✓ Executed: Yes</li> <li>✓ Maturity: Aug'14 (6m extension right)</li> <li>✓ Cost: L + 300 bps</li> <li>✓ Participating Banks:</li> </ul> 	<ul style="list-style-type: none"> <li>✓ Amount: \$500mm</li> <li>✓ 100% disbursed (Mar.'14)</li> <li>✓ Executed: Yes</li> <li>✓ Maturity: Feb'15</li> <li>✓ Funding by FMM</li> <li>✓ Cost: L + 390 bps</li> <li>✓ Participating Banks (B-lenders):</li> </ul> 	<ul style="list-style-type: none"> <li>✓ Amount: \$500m</li> <li>✓ Executed: No</li> <li>✓ Maturity: 3 + 3 months</li> <li>✓ Cost: L + 400 bps</li> <li>✓ Banks:</li> </ul> 
				Bridge 6
				<ul style="list-style-type: none"> <li>✓ Amount: R\$1.1bn</li> <li>✓ Executed: No</li> <li>✓ Maturity: 9 months</li> <li>✓ Cost: 150% CDI or IPCA + 9%</li> <li>✓ Bank:</li> </ul> 

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6

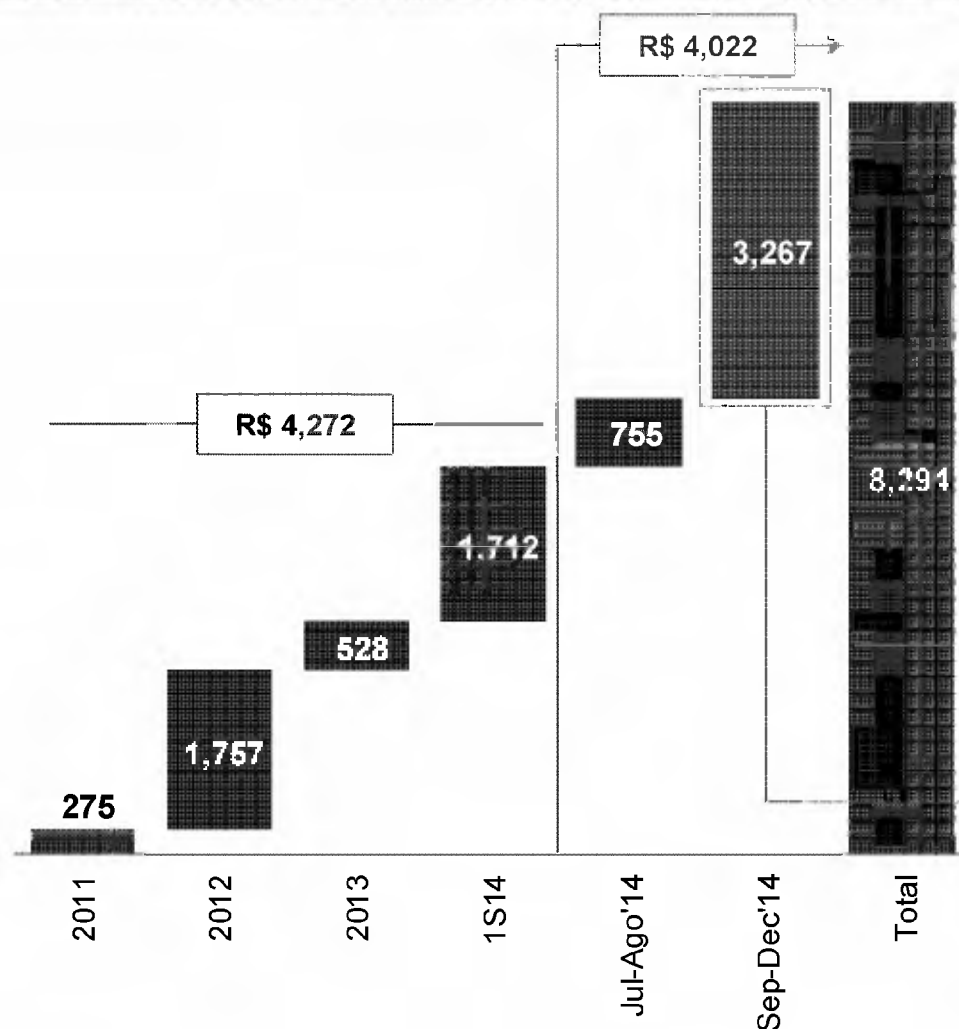


# Sete Brasil – Equity Update

## Capital Updates

- Sept'14 Capital call reaches the committed capital of R\$8.3 BN
- Sete Brasil already expects further capital injection from shareholders ranging from R\$ 4.0BN to R\$ 5.0BN

## Evolution of Sete's Capital Calls (R\$ MM)



## Sept'14 Capital Call

- Company facing liquidity constraints over the next few months (September through October) until LT financing for “batch 1” is disbursed
  - LT Financing BNDES/Finisa: initial disbursement of R\$ 3.6 billion estimated for November'14 (approvals in September)
- Main reasons:
  - Delay in obtaining LT financing from BNDES / FINISA for “batch 1”
  - Delay in obtaining alternative funding: \$400 – 500 million in bridges

Sources		Uses	
	US\$ MM		US\$ MM
Capital Call	1,433	Prepayment of Bridge 3 WK and ST commitment	1,096
			337
<b>TOTAL</b>	<b>1,433</b>		<b>1,433</b>

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7

# Sete Brasil - Key Discussions & Mitigants



Topic	Discussion	Impact	Potential Mitigant
Delay in Senior Debt Disbursement	<ul style="list-style-type: none"> <li>Delay in obtaining senior financing with BNDES and Finisa</li> </ul>	<ul style="list-style-type: none"> <li>Short term liquidity problems</li> <li>Higher interest rates during construction</li> <li>Early capital calls</li> </ul>	<ul style="list-style-type: none"> <li>Agreement with Petrobras should entitle Sete to request compensation to maintain base shareholders' contractual return</li> </ul>
Leverage	<ul style="list-style-type: none"> <li>Debt-to-equity ratio has decreased from 80% to 75% due to lenders' requirements</li> </ul>	<ul style="list-style-type: none"> <li>Additional equity required to fund each project</li> <li>Capital increases exceeding the committed capital of R\$ 8.3 billion</li> </ul>	<ul style="list-style-type: none"> <li>Agreement with Petrobras should entitle Sete to request compensation to maintain base shareholders' contractual return</li> </ul>
Expected Delays	<ul style="list-style-type: none"> <li>Significant delays are expected for most of the units</li> </ul>	<ul style="list-style-type: none"> <li>Penalties to be paid to Petrobras due to delays</li> <li>Delay in generating revenues from charter</li> <li>Petrobras is allowed to cancel the contract with the SPV if the delays exceed 2 years</li> </ul>	<ul style="list-style-type: none"> <li>Shipyards will incur in equivalent penalty fees</li> <li>6 months average buffer between delivery and charter dates</li> <li>FGCN to cover interest and principal installments due until the CoD of the unit</li> </ul>
Uptime Assumptions	<ul style="list-style-type: none"> <li>Previous financial model assumes uptime rates ranging from 94% to 97% (very optimistic)</li> </ul>	<ul style="list-style-type: none"> <li>Reduction in daily charter rates (bonus)</li> </ul>	<ul style="list-style-type: none"> <li>Operators with expertise in ultra-deepwater</li> <li>Performance fund</li> </ul>
Local Content Requirements	<ul style="list-style-type: none"> <li>Local content might not comply with requirements defined by Petrobras</li> </ul>	<ul style="list-style-type: none"> <li>Petrobras is entitled to charge penalty fees from Sete</li> </ul>	<ul style="list-style-type: none"> <li>Shipyards will also incur in penalty fees</li> </ul>
EIG's Strategic Actions at Sete/ Board Level	<ul style="list-style-type: none"> <li>3<sup>rd</sup> party technical audit process – Sete Brasil needs to have a clear view on delays and potential local content penalties</li> <li>Active administration of potential claims</li> <li>Improve Petrobras and Sete Brasil supervision at shipyards</li> <li>Implement accurate project reporting process</li> </ul>		

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Page 38 of 51

8

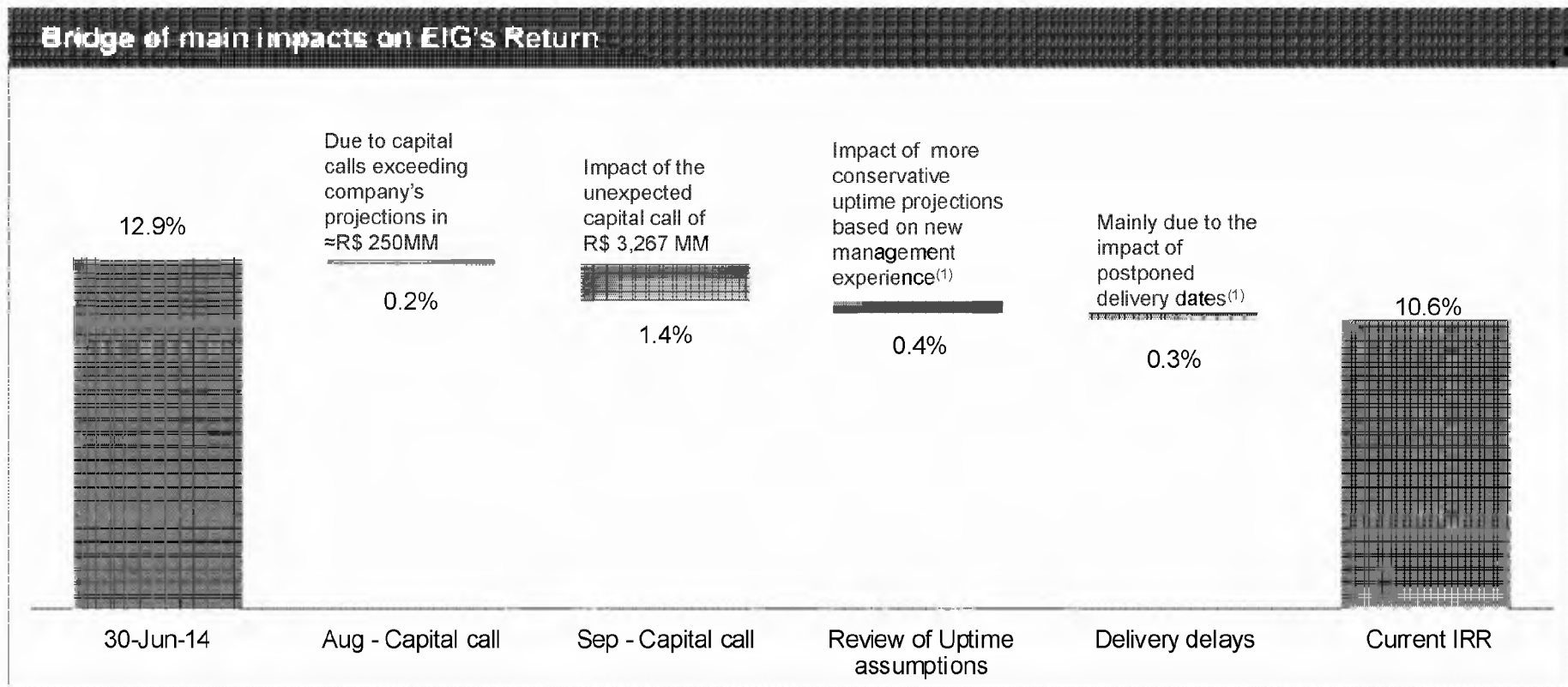


# Sete Brasil – Financial Projections



## Update on Financial Projections

- Main assumptions update:
  - Aug and Sep'14 capital calls amounting R\$4.0 bn (to be confirmed by Sete Brasil)
  - More conservative assumptions of uptime (based on new management suggestion)
  - Delivery dates according to the current estimates of Sete Brasil
- Updated Projected Returns: 10.6% / 1.54x (Jun'14: 12.9% / 1.62x) (IR: 17.9% / 1.95x)



Note: (1) Please see details in Appendix

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Page 39 of 51

9



# Sete Brasil – Sep'14 Update



Sete Brasil Participações		Historical				Forecast				Historical		Forecast				
		1st Q	2nd Q	3rd Q	4th Q	1st Q	2nd Q	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Annual	Annual
\$ '000, unless otherwise noted		Mar-14	Jun-14	Sep-14	Dec-14	Mar-15	Jun-15	Dec-12	Dec-13	Dec-14	Dec-15	Dec-16	Dec-17	Dec-18	Dec-18	Dec-18
<b>Operational Highlights</b>																
Rigs in Operation		-	-	-	-	-	-	-	-	-	-	2	11	19		
Average Daily Charter Rate		NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	317	348	369		
<b>Summary Cash Flow</b>																
<b>Total Net Revenues</b>		-	-	-	-	-	-	-	-	-	-	255,382	1,288,057	2,497,988		
<b>Opex + G&amp;A</b>		-	-	-	-	-	-	-	-	-	-	(48,072)	(251,209)	(553,801)		
<b>EBITDA</b>		-	-	-	-	-	-	-	-	-	-	207,311	1,036,848	1,944,188		
<b>CAPEX</b>		(721,485)	(742,832)	(751,738)	(1,267,086)	(1,296,963)	(1,148,691)	(1,683,876)	(3,255,968)	(3,472,821)	(5,017,560)	(5,284,019)	(3,238,831)	(2,145,864)		
Working Capital		-	-	-	-	-	-	-	-	-	-	(38,180)	(188,034)	(206,169)		
ICMS & IOF Tax Payment		-	-	-	-	-	-	-	-	-	-	(46,425)	(196,325)	(198,711)		
Provisions and other expenses		(1,985)	(10,293)	-	(143,689)	(424)	(98,401)	-	(0)	(155,968)	(112,050)	(32,783)	(10,579)	(26,861)		
<b>Free Cash Flow</b>		(723,471)	(752,925)	(751,738)	(1,400,755)	(1,297,388)	(1,245,092)	(1,683,876)	(3,255,968)	(3,628,888)	(5,129,611)	(5,184,096)	(2,586,921)	(533,417)		
<b>Cash Flow from Financing</b>		1,019,891	763,407	696,028	6,226,206	1,128,510	4,448,645	2,544,462	3,667,224	8,705,531	8,016,496	5,208,035	3,437,420	2,054,106		
Class A Shareholder		39,186	96,958	63,680	557,114	204,298	499,095	415,440	74,017	756,938	1,214,258	1,059,901	645,221	359,388		
Sub Debt		32,099	17,056	20,865	40,277	20,684	21,318	-	673,405	110,297	53,280	12,956	-	-		
Class B Shareholder		9,361	18,976	14,463	124,311	43,446	108,267	97,200	29,623	167,111	265,278	266,890	163,737	91,647		
Bridge Loan and I/C		939,244	630,417	597,020	431,265	422,430	-	2,031,822	2,890,179	2,597,945	422,430	-	-	-		
BNDES / FMM / FINISA		-	-	-	4,006,029	396,094	2,840,432	-	-	4,006,029	4,652,603	3,132,297	2,061,632	1,174,811		
UKEF + GIEK		-	-	-	976,883	21,913	131,303	-	-	976,883	223,766	107,392	40,812	19,537		
Commercial Banks		-	-	-	90,327	19,644	578,589	-	-	90,327	790,222	332,831	143,762	57,747		
BB Facility		-	-	-	875,250	-	-	-	-	875,250	-	-	-	-		
FINISA		-	-	-	-	-	-	-	-	-	-	-	-	-		
Others		-	-	-	-	-	-	-	-	-	-	51,552	226,922	254,868		
<b>Cash Available for Debt Service</b>		296,420	10,482	(55,710)	4,825,451	(168,878)	3,203,553	860,586	411,256	5,076,643	2,886,885	13,939	840,499	1,420,690		
Debt Service		(472,379)	(32,918)	-	(4,123,170)	-	(2,804,909)	(235,343)	(782,213)	(4,628,467)	(2,804,909)	(54,271)	(317,612)	(1,159,839)		
FGCN		-	-	-	-	-	-	-	-	-	-	14,849	56,807	118,844		
Swap/Option Gains/Losses		-	-	-	-	-	-	-	-	-	-	(3,899)	(13,480)	(12,811)		
<b>Net Cash Flow Generation</b>		(175,959)	(22,437)	(55,710)	702,281	(168,878)	398,644	625,244	(370,957)	448,176	81,976	(29,382)	566,215	366,884		
<b>Balance Sheet Highlights</b>																
Cash		79,464	56,998	1,887	708,568	534,690	983,834	626,350	255,393	703,568	765,590	634,255	654,026	197,803		
Fixed Assets		5,871,618	6,675,234	7,450,376	9,080,288	10,488,417	12,033,869	1,759,783	5,099,148	9,080,288	14,967,835	21,090,024	24,962,740	27,158,467		
Total Debt		5,222,713	5,887,958	6,529,217	8,180,016	9,166,523	10,530,257	1,809,982	4,674,750	8,180,016	12,692,109	17,505,683	20,904,113	22,604,696		
<b>EIG Cash Flow</b>																
Debt Principal		-	-	-	-	-	-	(45,000)	45,000	-	-	-	-	-		
Interest		-	-	-	-	-	-	3,132	470	-	-	-	-	-		
Fees Received		-	-	-	-	-	-	1,000	-	-	-	-	-	-		
Common Equity Investment		-	(47,011)	(104,275)	(2,710)	-	(1,788)	(75,070)	(2,606)	(153,996)	(1,788)	-	(23,846)	(28,782)		
Dividends Received		-	-	-	-	-	-	-	-	-	-	-	-	-		
<b>Total EIG Cash Flow</b>		-	(47,011)	(104,275)	(2,710)	-	(1,788)	(115,939)	42,863	(153,996)	(1,788)	-	(23,846)	(28,782)		
Running EIG IRR		0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%		
Running EIG ROI		0.58x	0.46x	0.31x	0.31x	0.31x	0.31x	0.33x	0.58x	0.31x	0.31x	0.31x	0.29x	0.27x		

Page 40 of 51

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11

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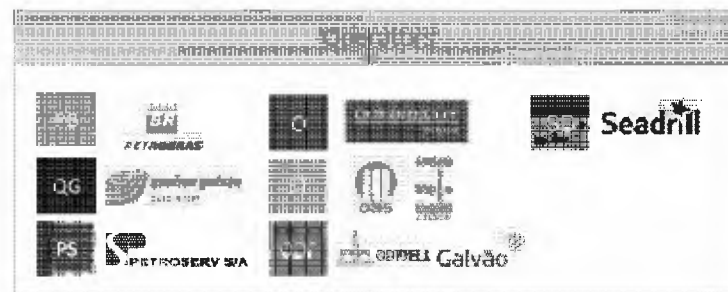
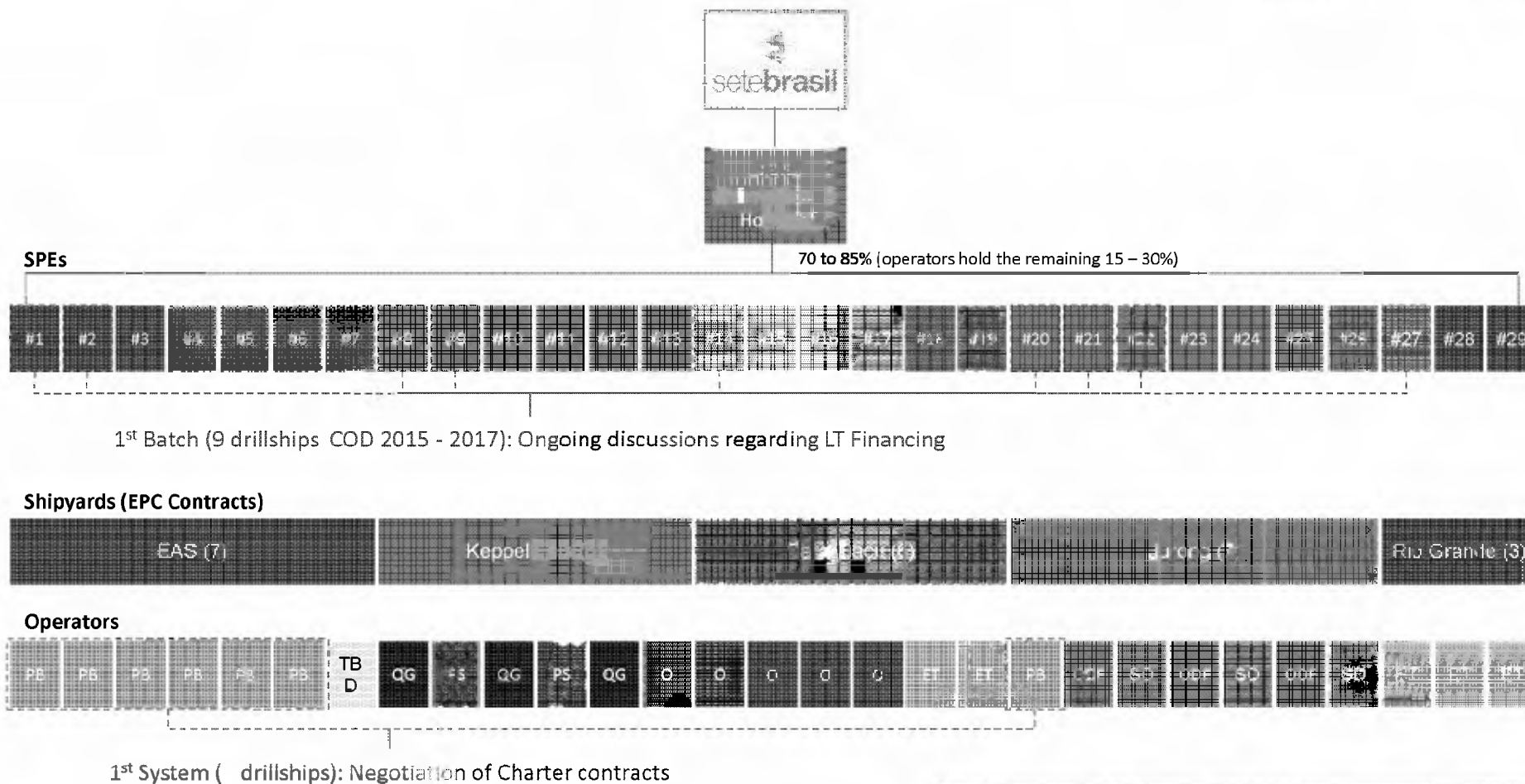
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# Appendix

# Sete Brasil – Overview



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Page 42 of 51

13



# Sete Brasil – Construction Status

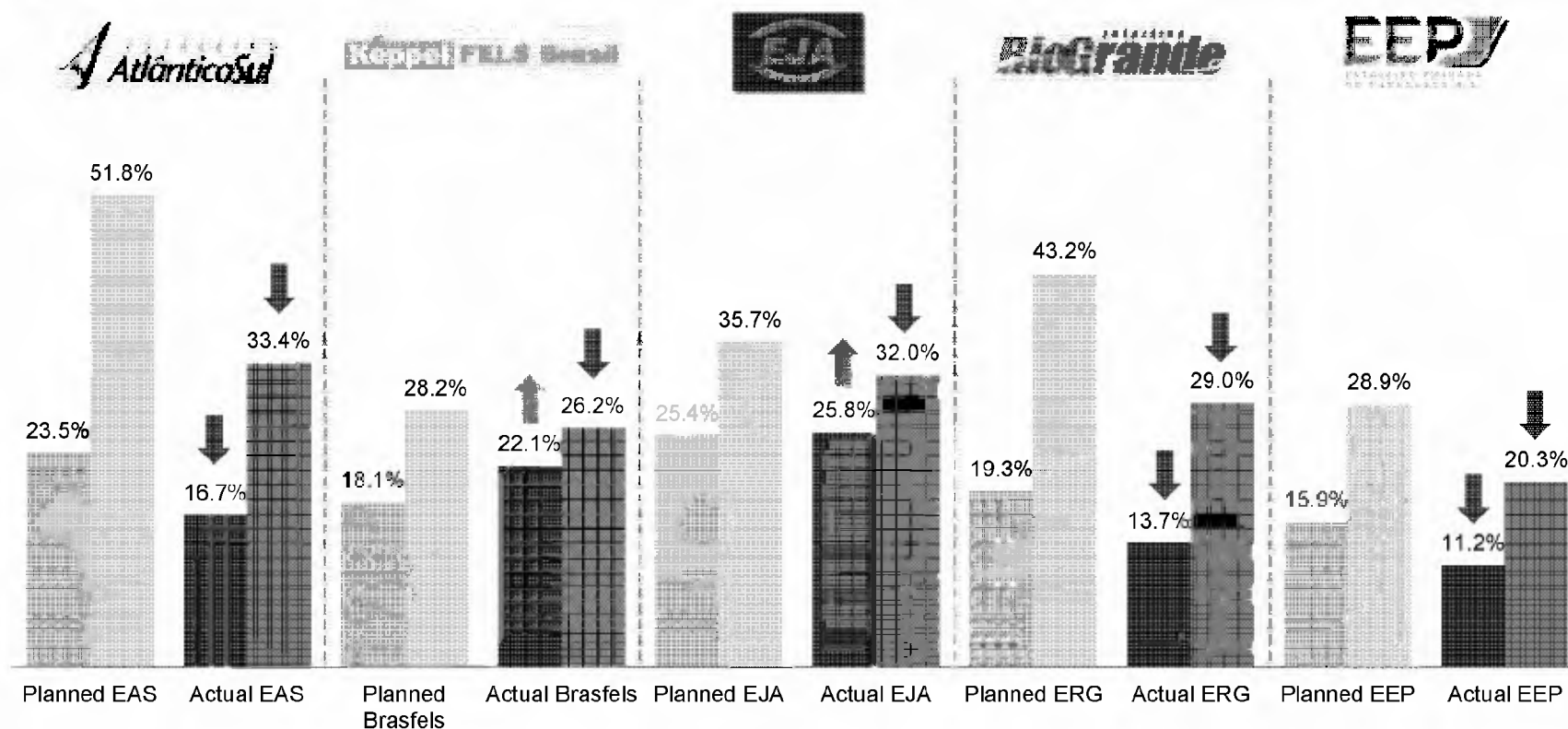


## Overall Construction Progress (As of Jun'14)

- Considering the 29 units under construction, the physical progress as of Jun'14 reached 18.5% against 20.8% planned
- Construction progressing ahead of schedule at Brasfels shipyard, and although it is still too early to draw definitive conclusions, significant delays are expected for the other four shipyards

Physical Progress  
Financial Progress

Overall 29 Rigs		
	Planned	Actual
Physical Progress	20.8%	18.5%
Financial Progress	36.7%	28.2%



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Page 43 of 51

14

# Sete Brasil – Main assumptions update

## Uptime and Delivery dates



SPE	Shipyard	Sep'14	Jun'14	Variation
SPE 1	Jurong	8 months	0 months	8 months
SPE 2	EAS	10 months	0 months	10 months
SPE 3	EAS	10 months	0 months	10 months
SPE 4	EAS	5 months	0 months	5 months
SPE 5	EAS	2 months	0 months	2 months
SPE 6	EAS	2 months	0 months	2 months
SPE 7	EAS	1 months	0 months	1 months
SPE 8	BrasFels	2 months	3 months	-1 months
SPE 9	BrasFels	1 months	0 months	1 months
SPE 10	BrasFels	0 months	0 months	0 months
SPE 11	BrasFels	0 months	0 months	0 months
SPE 12	BrasFels	0 months	0 months	0 months
SPE 13	BrasFels	0 months	0 months	0 months
SPE 14	EEP	9 months	12 months	-3 months
SPE 15	EEP	10 months	6 months	4 months
SPE 16	EEP	8 months	3 months	5 months
SPE 17	EEP	3 months	0 months	3 months
SPE 18	EEP	3 months	0 months	3 months
SPE 19	EEP	2 months	0 months	2 months
SPE 20	Jurong	5 months	12 months	-7 months
SPE 21	Jurong	3 months	6 months	-3 months
SPE 22	Jurong	3 months	3 months	0 months
SPE 23	Jurong	2 months	0 months	2 months
SPE 24	Jurong	1 months	0 months	1 months
SPE 25	Jurong	1 months	0 months	1 months
SPE 26	Rio Grande	11 months	12 months	-1 months
SPE 27	Rio Grande	7 months	6 months	1 months
SPE 28	Rio Grande	10 months	3 months	7 months
SPE 29	EAS	1 months	0 months	1 months
Average increase in delayed delivery				3 months

Uptime 1st System				Uptime 2nd System			
Year	Sep'14	Jun'14	Variation	Year	Sep'14	Jun'14	Variation
Year 1	84.6%	94.0%	-9.4%	Year 1	84.6%	94.0%	-9.4%
Year 2	94.5%	95.0%	-0.5%	Year 2	94.5%	96.0%	-1.5%
Year 3	93.5%	95.0%	-1.5%	Year 3	93.5%	96.0%	-2.5%
Year 4	94.5%	95.0%	-0.5%	Year 4	94.5%	96.0%	-1.5%
Year 5	94.5%	95.0%	-0.5%	Year 5	94.5%	96.0%	-1.5%
Year 6	94.5%	95.0%	-0.5%	Year 6	94.5%	96.0%	-1.5%
Year 7	94.5%	95.0%	-0.5%	Year 7	94.5%	96.0%	-1.5%
Year 8	96.5%	95.0%	1.5%	Year 8	96.5%	96.0%	0.5%
Year 9	85.6%	95.0%	-9.4%	Year 9	85.6%	96.0%	-10.4%
Year 10	93.5%	95.0%	-1.5%	Year 10	93.5%	96.0%	-2.5%
Year 11	85.6%	95.0%	-9.4%	Year 11	85.6%	96.0%	-10.4%
Year 12	92.5%	95.0%	-2.5%	Year 12	92.5%	96.0%	-3.5%
Year 13	84.6%	95.0%	-10.4%	Year 13	84.6%	96.0%	-11.4%
Year 14	92.5%	95.0%	-2.5%	Year 14	92.5%	96.0%	-3.5%
Year 15	83.6%	95.0%	-11.4%	Year 15	83.6%	96.0%	-12.4%
Year 16	90.3%	95.0%	-4.7%	Year 16	90.3%	96.0%	-5.7%
Year 17	90.3%	95.0%	-4.7%	Year 17	90.3%	96.0%	-5.7%
Year 18	90.3%	95.0%	-4.7%	Year 18	90.3%	96.0%	-5.7%
Year 19	90.3%	95.0%	-4.7%	Year 19	90.3%	96.0%	-5.7%
Year 20	90.3%	95.0%	-4.7%	Year 20	90.3%	96.0%	-5.7%
Avg	90.8%	95.0%	-4.1%	Avg	90.8%	95.9%	-5.1%

Sete Brasil Participações S.A. ("Sete") is a public / private partnership established by Petrobras, private investors and public pension funds to build ultra-deepwater drillships and charter them under long-term contracts to Petrobras. Petrobras is a majority state-owned national oil and gas company of Brazil. Sete will build 29 drillships and charter them to Petrobras under 10 - 20 year fixed-price dollar-denominated contracts. The total contemplated equity in this transaction is US\$4.2bn. Senior financing, to be provided by BNDES, commercial banks and ECAs will total to approximately US\$25bn. Each drill ship will be owned by Class A (Sete) and Class B (operator) shareholders.

<b>Deal Lead:</b>	K. Corrigan	<b>Credit Committee Approved:</b>	27-Jun-11	<b>Original Technical Report:</b>	
<b>Deal Support:</b>	S. Hayden, E. Vovard	<b>Financial Close Date:</b>	31-Dec-11	<b>Author of Technical Report:</b>	
<b>Technical Lead:</b>	n/a	<b>Closing Financial Statement:</b>	NA	<b>Last Technical Report</b>	
<b>Legal Counsel:</b>	Chadbourne/Machado Meyer	<b>Last Financial Statement:</b>	NA	<b>Author of Technical Report:</b>	
<b>Tax Counsel:</b>	Machado Meyer	<b>Last Audited Fin. Statement:</b>	NA	<b>Last Market Report:</b>	
		<b>Last Management Accounts:</b>	30-Jun-14	<b>Author of Market Report:</b>	ODS Petrodata
<b>Total EIG Commitment:*</b>	\$246,196,268	<b>Primary Fund:</b>	XV	<b>Secondary Fund:</b>	XIV
<b>Amount Funded:</b>	\$124,687,978	<b>Commitment:</b>	\$123,098,134	<b>Commitment:</b>	\$123,098,134
<b>Current Outstanding:</b>	\$124,687,978	<b>Current Outstanding:</b>	\$62,343,989	<b>Current Outstanding:</b>	\$62,343,989
<b>Available Commitment:</b>	\$121,508,290	<b>Available Commitment:</b>	\$60,754,144.84	<b>Available Commitment:</b>	\$60,754,145

	<i>Original</i>	<i>Current</i>	<i>Projected</i>
IRR:	17.9%	0.0%	10.6%
ROI:	1.95x	0.31x	1.54x
Income:	\$235,012,491	(\$168,660,553)	\$132,253,167
XIV	\$117,506,245	(\$84,330,277)	\$66,126,583
XV	\$117,506,245	(\$84,330,277)	\$66,126,583
Date:*	30-Jun-12	30-Jun-14	

\*Use this date since at close our analysis was based only on first 7 ships

## CAPITAL STRUCTURE AT CLOSE: 30 Jan-12

	Amount	Percentage	Pricing	Maturity	Debt/EBITDA (LTM)	Debt/EBITDA (F1M)	PV10/Debt	Security
Senior Debt	\$20,530,720,304	80.0%	L+345; L+500	NA	NA	NA	0.1x	First lien on assets
Subordinated Debt	\$924,341,335	3.6%	L + 1200	NA	NA	NA	0.1x	Second lien on assets
<b>Total Debt</b>	<b>\$21,475,061,639</b>	<b>83.6%</b>						
Equity Class A								
Petrobras (5%)	\$169,980,347	0.7%		NA	NA	NA		
FIP Sondas (95%)	\$3,229,626,590	12.6%		NA	NA	NA		
Equity Class B	\$813,731,804	3.2%		NA	NA	NA		
<b>Total Equity</b>	<b>\$4,213,338,741</b>	<b>16.4%</b>						

Total Capital	\$25,688,400,380
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### Metrics at Close:

LTM EBITDA:	\$0	LTM Revenue:	\$0	LTM FCF:	\$0
FTM EBITDA:	\$0	FTM Revenue:	\$0	FTM FCF:	\$0
PV10 of FCF:	\$2,708,470,365				

## CAPITAL STRUCTURE AS OF: 12/31/2011 30-Jan-12

	Amount	Percentage	Pricing	Maturity	Debt/EBITDA (LTM) (1)	Debt/EBITDA (FTM) (1)	PV10/Debt	Security
Senior Debt	\$19,339,658,306	74.2%	L+345; L+500	NA	NA	NA	0.7x	First lien on assets
Subordinated Debt	\$849,938,197	3.3%	L + 1200	NA	NA	NA	0.7x	Second lien on assets
<b>Total Senior</b>	<b>\$20,189,596,503</b>	<b>77.5%</b>						
Equity Class A								
Petrobras (5%)	\$237,343,436	0.9%		NA	NA	NA		
FIP Sondas (95%)	\$4,509,525,278	17.3%		NA	NA	NA		
Equity Class B	\$1,121,383,646	4.3%		NA	NA	NA		
<b>Total Equity</b>	<b>\$5,868,252,360</b>	<b>22.5%</b>						

Total Capital	\$26,057,848,863
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Current Metrics:

LTM EBITDA:	\$0	LTM Revenue:	\$0	LTM FCF:	-\$3,013,301,700
FTM EBITDA:	\$0	FTM Revenue:	\$0	FTM FCF:	-\$4,694,972,188
PV10 of FCF:	\$5,777,800,294				

<u>Asset Analysis:</u>	<u>EIG View</u>	<u>EV / FTM</u> <u>EBITDA</u>
EV (PV10 FCF)	5,777,800,294	NA

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